



State of South Carolina
Office of the Inspector General

June 26, 2014

OIG File #2013-508-I

Chairman William Small, Jr.
South Carolina State University
300 College Street, NE
Orangeburg, SC 29117

Dear Chairman Small:

I appreciate the challenges the South Carolina State University's (SCSU) Board is facing. From reading news accounts, the Board will have to make tough budget decisions in reducing costs. The news also reported the proposed SCSU budget for the upcoming fiscal year recommended outsourcing the University's internal audit function. I am requesting the University maintain a documented record of any management action(s) impacting Internal Auditor Evelyn Anderson. Ms. Anderson is covered by the state's whistleblower statute, and the information she provided the State Inspector General was accurate leading to uncovering serious university mismanagement, along with waste and abuse. I fully endorse and support the University always acting in its best interest even if it may impact Ms. Anderson's position. However, if any action impacts Ms. Anderson, the SIG will initiate a review of the University's action(s) to ensure the basis was business or performance, and not retaliation as covered by the whistleblower statute.

As a reminder, the State of South Carolina's Whistleblower Law cite is S.C. Code of Laws, Title 8, Chapter 27 entitled "Employment Protection for Reports of Violations of State or Federal Law or Regulation." Section 8-27-20(A) of the Whistleblower Law states in part: *"No public body may dismiss, suspend from employment, demote, or decrease the compensation of an employee of a public body because the employee files a report with an appropriate authority of wrongdoing."*

I will note, in my opinion, that Ms. Anderson has exhibited selfless duty and a fiduciary mindset motivated by her concern for the long-term success of the University. The role of internal audit is not easy because it often has to confront problems, but it serves as a mechanism every organization needs for self-assessment and to stimulate self-correction. Ms. Anderson has been beating this drum for many years on the University's declining financial situation, yet the

University did not aggressively confront these problems until, literally, the money ran out. I would think in the University's current situation, particularly from a taxpayer's perspective, having a function and employee willing to report the "cold, hard facts" may be a valuable asset moving forward.

Sincerely,

A handwritten signature in black ink, reading "Patrick J. Maley". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Patrick J. Maley
State Inspector General

Cc: President Thomas Elzey, South Carolina State University
General Counsel Craig Burgess, South Carolina State University
Director Samuel L. Wilkins, State Human Resources Division, Budget and Control Board